

Approved For Release 2004/01/12 : CIA-RDP64-00014A000100160001-4

CONFIDENTIAL

July 23, 1954

ACEP PROGRAM DETERMINATION NO. 1100 (Revised)

To: Director
Bureau of Foreign Commerce

Subject: U.S. Master Export Security List, Attributes and Standards
(ACEP Document No. 100)

There are hereby established:

- (a) The U.S. Master Export Security List; and
- (b) Attributes and Standards for placing items on U.S. Master Export Security List.

The new Attributes and Standards shall supersede immediately the present export security criteria. The establishment of the new list and transfer of items from present U.S. Department of Commerce "U.S. Security Export Control Lists" shall proceed in accordance with the procedure set forth on page 11 of this Program Determination.

ACEP PD No. 238 and Amendment 1 and the provisions of ACEP PD No. 28 Amendment 60 with respect to criteria are hereby revoked.

NOTE: This covers the following revisions:

Page 2 - I. Part C - Section I.

Page 4 - II. Part A - Paragraphs 4 and 5.

Page 9 - III. Part E - Standard No. 4(a) and 4(b).

On file DOC release instructions
apply.

CONFIDENTIAL

CONFIDENTIAL

- 2 -

ACEP PROGRAM DETERMINATION NO. 1100 (Revised)

I. U.S. MASTER EXPORT SECURITY LIST

The single U.S. Master Export Security List shall consist of the parts described below:

Part A Atomic Energy Material - includes source material, fissionable material and facilities for the production of fissionable material as defined by the Atomic Energy Commission. Such listing concurrently reflects the coverage in this area provided in Title I, Categories A and B of the Battle Act Lists as adapted from the AEC List for that purpose.

Part B Arms, Ammunition and Implements of War - includes the arms, ammunition and implements of war listings as established by the Office of Munitions Control of the Department of State. These listings reflect the coverage provided in Title I, Categories A and B of the Battle Act Lists as adapted for that purpose.

Part C Other Items Controlled by the U.S. to the Soviet Bloc - includes the various security listings employed by the Department of Commerce in its control to the Soviet Bloc (except for certain additional control to Communist China and North Korea which is provided for in Part D of the list) and Title I, Categories A and B, and Title II of the Battle Act Lists as adapted for that purpose and also reflecting agreed international controls as reflected in I/L I (not covered in Parts A and B above), I/L II and I/L III. Part C shall be divided into three sections as follows:

Section I Includes items for which agreements are in force in CoCom for effective embargo to the Soviet Bloc, including the IA items appearing on Category B of Title I even though formal multilateral agreement to embargo was not reached by CoCom countries as compared to other acceptances of the Title I, Category B List; and all other Battle Act Title I items not included in Parts A or B of the U.S. Master Security List.

CONFIDENTIAL

CONFIDENTIAL

- 3 -

ACEP PROGRAM DETERMINATION No. 1100 (Revised)

Section II Includes items for which agreements are in force in CoCom for effective quantitative control to the Soviet Bloc, including the listing of items agreed internationally for quantitative control even though they may be separately listed in Section III below for a more stringent control by the U.S.

Section III Includes items (a) which are the subject of strictly bilateral export control action, (b) which are the subject of unilateral control action, (c) which are regarded as negotiable for either multilateral or bilateral export control (whether or not such negotiation has in fact been undertaken) and as to which provisional unilateral action may or may not be currently taken.

Part D Items Controlled to Communist China - includes the listing for control to Communist China and North Korea. This part is to be divided into three sections which would be similar in type to those described under Part C, and a Part D, Section IV listing the items excepted from control. This Part D may be further utilized for special listings keyed to particular area problems in situations either of international tension involving a threat of imminent war, or of limited warfare in defiance of the U.S. or U.N. security interest.

CONFIDENTIAL

CONFIDENTIAL

- 4 -

ACEP PROGRAM DETERMINATION NO. 1110 (Revised)

II. ATTRIBUTES FOR DETERMINATION OF ELIGIBILITY OF ITEMS
FOR PLACEMENT ON THE U.S. MASTER EXPORT SECURITY LIST

The sole function of the security attributes is to determine eligibility of an item for consideration for placement on the U.S. Master Export Security List.

- A. One or more of the following attributes shall be possessed by materials or equipment (including technical data and services) if such are to be considered for restrictive control for security reasons in a situation of international tension not involving the threat of imminent war in defiance of the U.S. or of the U.N.
 1. Atomic Energy Materials and Equipment:
 - a. Any material (raw or processed) containing by weight 0.05% or more of uranium, thorium, or any combination thereof; 1/
 - b. Any fissionable material; 1/
 - c. Any equipment or device capable of the production of fissionable material and any important component part especially designed for such equipment or device. 1/
 2. Arms, Ammunition, and Implements of War. 2/ 5/
 3. Materials and equipment (by types and grades) which are designed specially or used principally for the development, production or utilization of arms, ammunition, implements of war, and atomic energy materials. 3/ 4/ 5/
 4. Materials and equipment (by types and grades) which incorporate advanced technology or unique technological know-how (including production know-how), the acquisition of which may reasonably be expected to permit a significant advance in Soviet Bloc technology in military or atomic energy production over the level of development already achieved or expected to be achieved within a short period. 3/ 4/
 5. Materials and equipment (by types and grades) in which the Soviet Bloc has a deficiency which is critical in relation to its military capabilities* and which it could not overcome within a short period.

* Interpreted to mean "present or future".

CONFIDENTIAL

CONFIDENTIAL

- 5 -

ACEP PROGRAM DETERMINATION NO. 1100 (Revised)

- B. In a situation of international tension involving a threat of imminent war, or in a situation of limited warfare, in defiance of the U.S. or of the U.N., all material or equipment (including technical data and services) which meet the attributes listed in (A) above shall be considered for restrictive control for security reasons, and in addition thereto other items shall be considered for restrictive control for security reasons based upon such further attributes as may be pertinent and appropriate or for reasons of overriding U.S. policy. 3/ 6/

Footnotes

- 1/ This attribute is applicable to the implementation of the Atomic Energy Act of 1946 which is under the jurisdiction of the Atomic Energy Commission and related to the implementation of the Battle Act by the Director of Foreign Operations.
- 2/ This attribute is applicable to the development of the Munitions List which is administered by the Department of State and related to the implementation of the Battle Act by the Director of Foreign Operations.
- 3/ These attributes relate to the implementation of the Export Control Act of 1949 as amended, and are related to the implementation of the Battle Act by the Director of Foreign Operations.
- 4/ The target area currently involved in these attributes is the Soviet Bloc, (excluding Communist China and North Korea) which is currently defined to include Albania, Bulgaria, Czechoslovakia, Estonia, Eastern Germany, Hungary, Latvia, Lithuania, Poland and Danzig, Rumania, U.S.S.R.
- 5/ Materials and equipment should not generally be deemed to possess this attribute if they are materials or equipment primarily intended for civilian use unless they possess high military importance and are readily convertible into arms, ammunition or implements of war.
- 6/ The target area currently involved is Communist China and North Korea.

CONFIDENTIAL

ACEP PROGRAM DETERMINATION NO. 1100 (Revised)

III. STANDARDS FOR PLACEMENT OF ITEMS ON U.S. MASTER EXPORT SECURITY LIST

The function of the standards is to provide tests, which must be met in a reasonable demonstrable manner, for the placement (including retention or deletion) of an eligible item on the U.S. Master Security List and the appropriate part thereof.

A. Placement of Items on Part A (Atomic Energy) of U.S. Master Export Security List.

An item shall be placed on Part A of the List if it possesses Attribute No. 1 and is listed for export control by the Atomic Energy Commission.

B. Placement of Items on Part B (Arms, etc.) of U.S. Master Export Security List.

An item shall be placed on Part B of the List if it possesses Attribute No. 2 and is listed for export control by the Department of State.

C. Placement of Items on Part C-I (Embargo) of U.S. Master Export Security List. 1/

An item shall be placed on Part C-I if it meets all of the following Standards:

Standard No. 1. The item possesses one or more Attributes Nos. 3, 4 and 5, and provided that:

(a) With respect to Attribute No. 4;

- (1) The know-how is extractable from the material or equipment involved; and
- (2) The application of the know-how is not confined to items predominantly of civilian uses; and
- (3) The Soviet Bloc is not reasonably expected to achieve the advance in technology afforded by the material or equipment to be embargoed within the period of time required to obtain multilateral agreement on embargo and its effective implementation; and
- (4) A lesser degree of restriction than embargo cannot reasonably be expected to prevent the extraction of the know-how from the material or equipment involved.

1/ If a listed item is reopened by CoCom for change of control, it should be reviewed in terms of the standards of C-III.

CONFIDENTIAL

-7-

ACCP PROGRAM DETERMINATION NO. 1100 (Revised)

(b) With respect to Attribute No. 5:

- (1) The deficiency is not judged to be of a character that would induce the Soviet Bloc to remedy it with a speed or to a degree that would make the net effect of an embargo unfavorable to the security interests of the free world; and
- (2) A lesser degree of restriction than embargo cannot reasonably be expected to create or maintain a Soviet Bloc deficiency as defined in the Attribute; and
- (3) The embargo will create or maintain a Soviet Bloc deficiency either in the material or equipment to be embargoed or in other materials or equipment as defined in the Attribute; and
- (4) The Soviet Bloc is not reasonably expected to be able to overcome the deficiency during the time involved in establishing the necessary embargo control and achieving its effective implementation, except by diversion of materials or facilities of comparable or greater importance to its military power; and
- (5) The embargo is not reasonably expected to induce the Soviet Bloc to overcome the deficiency without causing serious impairment of activities other than those related to that deficiency but which are of comparable or greater importance to its military power.

Standard No. 2. The coverage already afforded by the placement of related items on the U.S. Master Export Security List is inadequate to achieve U.S. Security objectives.

Standard No. 3. An agreement is in force in CoCom for effective embargo of the item to the Soviet Bloc.

D. Placement of Items on Part C-II (Quantitative Control) of U.S. Master Export Security List. 1/

An item shall be placed on Part C-II if it meets all of the following Standards:

Standard No. 1. The item possesses either Attribute No. 4 or Attribute No. 5, provided that:

- (a) With respect to Attribute No. 4, the Attribute as conditioned under (a) (1) and (2) of Standard No. 1 for Part C-I is met but:

1/ If a listed item is reopened by CoCom for change of control, it shall be reviewed in terms of the Standards of C-II.

CONFIDENTIAL

-8-

ACEP PROGRAM DETERMINATION NO. 1100 (Revised)

- (1) The technology cannot be effectively separated by designing types or grades of commodities to permit embargo listing but is susceptible to a licensing guide approach which may reasonably be expected to succeed in preventing the transmission of the technology; or
 - (2) A lesser degree of restriction than embargo can reasonably be expected to prevent the extraction of the technology from the material or equipment involved; and
 - (3) The Soviet Bloc is not reasonably expected to achieve the advance in technology afforded by the material or equipment to be quantitatively controlled within the period of time required to obtain multilateral agreement on quantitative control and its effective implementation.
- (b) With respect to Attribute No. 5:
- (1) The deficiency is not judged to be of a character that would cause the Soviet Bloc to remedy it with a speed or to a degree that would make the net effect of quantitative control unfavorable to the security interests of the free world; and
 - (2) A lesser degree of restriction than embargo can reasonably be expected to create or maintain a Soviet Bloc deficiency as defined in the Attribute; and
 - (3) Quantitative control will create or maintain a Soviet Bloc deficiency either in the material or equipment to be embargoed or in other materials or equipment as defined in the Attribute; and
 - (4) The Soviet Bloc is not reasonably expected to be able to overcome the deficiency during the time involved in establishing the necessary quantitative control and achieving its effective implementation, without diversion of materials or facilities of comparable or greater importance to its military power; and
 - (5) Quantitative control is not reasonably expected to induce the Soviet Bloc to overcome the deficiency without causing serious impairment of activities other than those related to that deficiency but which are of comparable or greater importance to its military power.

Standard No. 2. The coverage already afforded by the placement of related items on the U.S. Master Export Security List is inadequate to achieve U.S. security objectives.

Standard No. 3. An agreement is in force in CoCom for effective quantitative control of the item to the Soviet Bloc.

CONFIDENTIAL

CONFIDENTIAL

-9-

ACEP PROGRAM DETERMINATION NO. 1100 (Revised)

E. Placement of Items on Part C-III (Individual Item Control) of U.S. Master Export Security List.

(Explanatory Note: This Part comprises items the export of which to the Soviet Bloc the U.S. has determined should be subjected to control and for which there is no current multilateral agreement by CoCom to controls identical with those of the U.S.)

An item shall be placed on Part C-III if it meets both Standards No. 1 and 2, and either Standard No. 3 or 4.

Standard No. 1. The item possesses one or more of Attributes Nos. 3, 4, and 5, and Standard No. 1 under Part C-I or Standard No. 1 under Part C-II is met.

Standard No. 2. The coverage already afforded by the placement of related items on the U.S. Master Export Security List is inadequate to achieve U.S. security objectives.

Standard No. 3. It can be reasonably expected that U.S. negotiations would be successful in obtaining satisfactory multilateral control by CoCom provided, however, it is reasonably clear that such negotiations or resulting control would not cause:

- (a) An expenditure of good will or bargaining power disproportionate in terms of U.S. national security interests; or
- (b) An undue impact on the economic, political, or financial situations of the member countries.

Standard No. 4. Where the U.S. does not intend to seek multilateral control by CoCom or has not been successful in obtaining adequate control agreement by CoCom:

- (a) Such additional strategic commodities as would contribute significantly to the war potential of the European Soviet Bloc, the U.S. unilateral control of which can reasonably be expected, because of U.S. production, supply or technology, to be effective in depriving the European Soviet Bloc of a significant contribution to the latter's war potential; or
- (b) Other commodities, whether strategic or not, which raise such special political problems as to warrant U.S. export control to the European Soviet Bloc despite the absence of international controls.

NOTE: The degree of control to be applied to an item on Part C-III shall be determined on the merits of each item in terms of (a) the possibility of achieving effective control, including the use of licensing guides, and (b) any overriding considerations of U.S. policy.

ACEP PROGRAM DETERMINATION NO. 1100 (Revised)

F. Placement of Items on Part D (Communist China Control) of the U.S. Master Export Security List.

(Explanatory Note: This Part is divided into four Sections: D-I, China Embargo; D-II, China Quantitative Control; D-III, China Individual Item Control and D-IV, Exceptions.)

Part D-I (China Embargo). An item shall be placed on Part D-I of the U.S. Master Export Security List if it meets the following Standard:

Standard No. 1. The item is listed on Parts A, B, C-I, C-II, or International List III, or the special China List.

Part D-II (China Quantitative Control). An item shall be placed on Part D-II of the U.S. Master Export Security List if it meets the following standard:

Standard No. 1. An agreement is in force multilaterally for effective quantitative control of the item to Communist China.

Part D-III (China Individual Item Control). An item shall be placed on Part D-III of the U.S. Master Export Security List if it meets one of the following standards and is not listed in Part D-I or D-II:

Standard No. 1. The item is considered appropriate for control in view of (a) the nature of aggression or threat of aggression, or (b) overriding considerations of U.S. policy.

Standard No. 2. An agreement is in force with Japan for effective restriction of the item to Communist China.

Part D-IV (Exceptions). An item shall be placed on Part D-IV if it has been determined that the item is not to be restricted to Communist China.

CONFIDENTIAL

CONFIDENTIAL

- 11 -

ACEP PROGRAM DETERMINATION NO. 1100 (Revised)

DEVELOPMENT OF NEW U.S. MASTER EXPORT SECURITY LIST

The new U.S. Export Security List shall be maintained by the Department of Commerce. The AEC and the Office of Munitions Control, Department of State, are to review the items presently controlled by them, and advise the Department of Commerce what items are to be included in Parts A and B of the new list.

LISTING OF ITEMS

In order to expedite transition to the new list -

1. The following items shall be placed on Part C-I without further review, for the time being:

- (a) All items presently on U.S. List I.
- (b) The five Battle Act Title I, Category B items now on I/L II.
- (c) All other Battle Act Title I items not included in Parts A or B of the U.S. Master Export Security List.

2. All items on U.S. II shall be placed on part C-II (the five Battle Act items shall show the appropriate cross-reference to Part C-I). For any other items on I/L II for which the U.S. has determined more restrictive controls are essential, there shall be appropriate cross-references to Part C-III wherein the U.S. control will be described.

3. Part C-III. Subject to an early review as to whether any particular item possesses the new attributes and meets the standards, the following shall be placed on Section III:

- (a) The I-A items (not covered by the Battle Act).
- (b) The U.S. List II-B items.
- (c) Such additional items as are in process of negotiation, or for which decisions have been made for unilateral action.

The degree of U.S. control for each item on Section III shall be that called for by the particular program determination or notice of action.

CONFIDENTIAL

CONFIDENTIAL

-12-

ACEP PROGRAM DETERMINATION NO. 1100 (Revised)

4. Likewise in establishing the new Part D, Sections I, II and III applicable to Communist China, the items presently agreed for multilateral embargo shall be immediately listed in D-I, with post facto review scheduled for an early date. Similarly, Part D-II shall list the item or items presently agreed for multilateral quantitative control.

With reference to Part D, Section III, and subject to a later review as to whether retention of any particular item is in order, shall be listed immediately:

1. The uncovered residue of U.S. List C-III and former I-A and II-B items.
2. Unagreed residual of U.K. supplemental China List.
3. The confirmed residual as to the 400 embargo items of Part III-A of the Japanese Bilateral List as currently agreed.
- 4.* Items covered by Part III-B of the Japanese Bilateral List as currently agreed.
- 5.* N.E.S. category excluding minor exceptions to U.S. control to China.

(* Includes items controlled for overriding U.S. policy reasons.)

Part D-IV. Items excepted from control to Communist China shall be listed in this Section.

IDENTIFICATION OF ITEMS

1. In designating the particular listings on the new U.S. Master Export Security List, the present identification numbering of items shall be retained in so far as practicable to minimize confusion.

2. Wherever an item appears on two sections of the list there shall be appropriate cross-references clearly indicating which listing governs the U.S. control.

3. Items listed in Part C-III shall contain coded references showing (a) the international control status; (b) character of U.S. control to the Soviet Bloc; and (c) character of U.S. control to friendly countries.

HS. WY 64 11

John D. Garrett
John D. Garrett

Executive Secretary

1S/E/880
Advisory Committee on Export Policy

CONFIDENTIAL